



# South Carolina Commission on Higher Education

Layton McCurdy, M.D., Chairman  
Mr. Daniel Ravenel, Vice Chairman  
Col. John T. Bowden, Jr.  
Doug R. Forbes, D.M.D.  
Dr. Bettie Rose Horne  
Dr. Raghu Korrapati  
Dr. Louis B. Lynn  
Ms. Cynthia C. Mosteller  
Mr. James Sanders  
Mr. Hood Temple  
Mr. Randy Thomas  
Mr. Kenneth B. Wingate  
Mr. Neal J. Workman, Jr.  
Dr. Mitchell Zais

September 10, 2007

Dr. Garrison Walters, Executive Director

The Honorable Marshall C. Sanford, Governor  
State of South Carolina

Re: FY 2008-09 CHE Budget Requests

Dear Governor Sanford:

On August 31, 2007, the Commission on Higher Education (CHE) submitted its FY 2008-09 budget requests for the public colleges and universities and for the agency. These requests were made contingent on approval of CHE on September 6. I am writing to confirm that CHE considered and approved the requests as previously transmitted.

As part of its considerations, CHE also accepted for approval three institutional requests for projects termed "below-the-line" requests. These projects are special institutional requests outside of calculations used in determining institutional need for state operating funds. As is the case each year, these institutional requests are reviewed against CHE-adopted criteria. The Frank L. Roddey Small Business Development Center (\$250,000 increase in recurring, USC Columbia), the S.C. Alliance for Minority Participation (\$200,000 increase in recurring, SC State University), and the Transportation Center (\$410,635 increase in recurring, SC State University) met the criteria and were accepted by CHE. Funding for these projects is considered to be included in CHE's request for an increase in higher education operating funding. Therefore, there is no additional change to the previous request. Details for these projects are enclosed.

Please know that CHE is committed to working with the public colleges and universities in the upcoming months to develop a more unified budget approach. As such, please keep in mind that the requested increases for public colleges and universities is broadly defined and changes to structure and content of the recommendations are likely as the process unfolds.

Thank you again for your consideration. Please phone me, Julie Carullo at 737-2292, Gary Glenn at 737-2155, or Jeff Richards at 737-2263 with any questions you may have.

Sincerely,

Garrison Walters

Enclosure

cc: Mr. Bryce Wilson, Office of State Budget  
Julie Carullo, Director Governmental Affairs  
Jeff Richards, Director of Internal Operations  
Gary Glenn, Associate Director, Finance, Facilities & MIS



# South Carolina Commission on Higher Education

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Mr. Kenneth B. Wingate  
Mr. Neal J. Workman, Jr.  
Dr. Mitchell Zais

Dr. Garrison Walters, Executive Director

August 31, 2007

The Honorable Marshall C. Sanford, Governor  
State of South Carolina

Re: FY 2008-09 Budget Request (CHE Agency Requests)

Dear Governor Sanford:

In keeping with the Governor's Executive Budget Request, we have enclosed the **FY 2008-09 budget requests for the Commission on Higher Education**. The requested funding has been considered in light of the state's needs in higher education and the Commission's role and responsibility in ensuring an efficient and effective higher education system in South Carolina. Our requests will enable the Commission to improve its work relative to ensuring the state is increasing its statewide capacity in higher education and building necessary human capital to be competitive in the knowledge-based economy.

The agency requests presented herein are contingent on approval by the Commission's board at its meeting on September 6. Following the meeting, we will confirm our budget requests and inform you of any revisions if necessary.

As required, the Commission also submits budget requests each year on behalf of public colleges and universities. Those requests have been transmitted in a separate document.

Please phone me, Julie Carullo at 737-2292, or Jeff Richards at 737-2263 with any questions you may have.

Sincerely,

Garrison Walters

Enclosure

cc: Layton McCurdy, Chair, and Members of the SC Commission on Higher Education  
Gail Morrison, Deputy Director, Director of Academic Affairs & Licensing  
Julie Carullo, Director of Governmental Affairs and Special Projects  
Jeff Richards, Director of Operations

## FISCAL YEAR 2008-09 BUDGET PLAN

### I. EXECUTIVE SUMMARY

**A. Agency Section/Code/Name:** H03/South Carolina Commission on Higher Education

**B. Statewide Mission:**

The Commission on Higher Education (CHE) serves as South Carolina's coordinating board for the state's 33 public post-secondary institutions. The Commission has a dual role within state government, acting both as an advocate for higher education as well as an oversight entity on behalf of the General Assembly. The South Carolina Commission on Higher Education promotes quality and efficiency in the state system of higher education with the goal of fostering economic growth and human development in South Carolina. The Commission's values include: the importance of quality higher education; accessibility of higher education to the citizens of the state; accountability of the institutions to their students, the General Assembly, and the state's taxpayers; excellence on the part of CHE's staff in performing its functions; and excellence on the part of the institutions in providing educational opportunities.

**C. Summary Description of Strategic or Long-Term Goals:**

The South Carolina Commission on Higher Education's overarching strategic goals are enumerated in the 2006-07 Agency Accountability Report to be submitted as required on September 14, 2007 (see pages 2 and 4). Key among the agency's goals particularly as related to the budget requests are:

(1) to ensure efficient and effective delivery of services, (2) to ensure quality and diversity of academic programs and educational services in South Carolina, (3) to ensure access to and quality of educational opportunities among underrepresented groups in higher education in SC, (4) to expand postsecondary educational opportunities for South Carolinians, (5) to present the needs and develop support for appropriate funding of public colleges and universities and to address strategic issues in public and private higher education as they are identified, and (6) to make South Carolina a global leader by fostering higher education's role in economic growth and human development.

In developing the FY 2008-09 budget plan, the Commission is dedicated to addressing priorities to ensure the agency is able to fulfill its mission and role and to carry out its goals. CHE is requesting funding to increase the effectiveness of the state's higher education capacity by ensuring effective service delivery through improved agency technology (continuation in recurring funds \$130,000 received in non-recurring funds in FY07-08) and ensuring access to and increased enrollment in higher education (\$200,000 SC GEAR UP, \$25,000 College Access Network Initiative, \$400,000 in increased recurring funds for the Access & Equity program, and \$145,735 to meet SREB program costs.)

**D.**

Summary of Operating Budget Priorities for FY 2008-09:		FUNDING					FTEs			
		State Non-Recurring	State Recurring	Federal	Other	Total	State	Fed.	Other	Total
Priority No. 1:	Title: <b>CHE Technology</b>	0	\$130,000	0	0	\$130,000	0	0	0	0.00
Strategic Goal No. CHE Goal 1 in Item C Above; Activity Number 279, Administration										
Priority No. 2:	Title: <b>SC GEAR UP</b>	0	\$200,000	0	0	\$200,000	0	0	0	
Strategic Goal No. CHE Goal 4 in Item C Above; Activity Number 288, GEAR UP										
Priority No. 3:	Title: <b>SC College Access Network</b>	0	\$25,000	0	0	\$25,000	0	0	0	0.00
Strategic Goal Nos. 4 & 5 in Item C Above; Activity Number N/A, new item										
Priority No. 4:	Title: <b>Increasing underrepresented populations in healthcare</b>	0	\$400,000	0	0	\$400,000	0	0	0	0.00
Strategic Goal No. CHE Goal 3 in Item C Above; Activity Number 285 Access and Equity										
Priority No. 5:	Title: <b>SREB Programs and Services</b>		\$145,735			\$145,735	0	0	0	0.00
Strategic Goal Nos. CHE Goals 2 & 3 in Item C. Above; Activity Number 286 SREB Contractual Scholarships / 287 SREB Fees and Assessments										
<b>TOTAL OF ALL PRIORITIES</b>			<b>\$900,735</b>			<b>\$900,735</b>				

**E. Agency Recurring Base Appropriation:**

State	\$125,435,970
Federal	\$ 6,188,693
Other	\$223,084,890 (includes Lottery & Supplemental Funds)

**F. Efficiency Measures:**

CHE continually strives to achieve greater efficiency, effectiveness, and customer service improvements in fulfilling its legislated role and mission. Reductions in recent years in available resources coupled with increasing administrative responsibilities have presented challenges for CHE in fully fulfilling its mission. Staff has taken on increasingly disproportional workloads and the agency has experienced constraints on the ability to provide for appropriate technology support. CHE continues to look very critically at how functions are performed, and every process is reviewed continuously for potential efficiencies. As examples of on-going efforts this past year to ensure needs are met, we continued to work to improve data delivery services for our customers and users and continued to focus on our role in accountability by completing institutional audits of scholarship programs and taking on increased workload arising from initiatives such as the Education and Economic Development Act (EEDA) and 2007 legislated changes to the scholarship programs to provide enhancements for math, science engineering, and health majors. While funding received in FY 2007-08 for technology needs and EEDA work will assist the agency in meeting its responsibilities, CHE cannot continue to absorb additional responsibilities or improve performance, particularly in those areas the Commission has identified as mission priority needs, without access to increased funding resources. For additional details and information on agency activities, see CHE's 2006-07 Agency Accountability report. This report will be submitted September 14, 2007, as required.

**G. NOT APPLICABLE – No Capital Projects Requested**

**H. Number of Proviso Changes: None**

At this time, CHE is not requesting any new or amended provisos for FY 2008-09.

**I. Signature/Agency Contacts/Telephone Numbers:**



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Garrison Walters, CHE Executive Director

Contacts:

Ms. Julie Carullo, [jcarullo@che.sc.gov](mailto:jcarullo@che.sc.gov) 803.737.2292

Mr. Jeff Richards, [jrichards@che.sc.gov](mailto:jrichards@che.sc.gov) 803.737.2263

**OTHER – CHE has submitted its request on behalf of higher education institutions in a separate document.**

## II. DETAILED JUSTIFICATION FOR FY 2008-09 OPERATING BUDGET PRIORITIES

A. Agency Section/Code/Name: H03/South Carolina Commission on Higher Education

B. Priority No. 1 of 5

C. (1) Title: Agency Technology

(2) **Summary Description:** CHE is seeking \$130,000 in recurring funds for needed technology enhancements. In FY 2007-08, CHE had requested increased funds for technology initiatives totaling \$130,000 in recurring funding. CHE was appropriated non-recurring funding and is seeking the continuation of these funds in FY 2008-09.

(3) **Strategic Goal/Action Plan (if applicable):** The programs under this priority address the Commission's goals to ensure effective and efficient delivery of services and to ensure quality and diversity of academic programs and educational services in South Carolina.

D. Budget Program Number and Name: Administration, 01010000

E. Agency Activity Number and Name: 279 CHE Administration

F. Detailed Justification for Funding:

(1) **Justification for Funding Increase:** One of CHE's mission critical functions is the maintenance and support of a centralized statewide higher education data system necessary for state policy research, state and federal data requirements, and other data sharing needs of institutions and the public. These data are also critical for statewide planning for higher education. Last year, CHE requested recurring technology funding and received one-time funds totaling \$130,000. In order to keep pace with changing technology and ensure continued quality data delivery, CHE needs these funds to be continued in the upcoming year and in future years to address on-going technology needs. The requested funds will enable CHE to purchase necessary software and hardware, support continued maintenance costs, and allow for planned system improvements to enhance and improve data accessibility.

(2)

<b>FY 2008-09 Cost Estimates:</b>	<b>State Non-Recurring Funds</b>	<b>State Recurring Funds</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>
<b>Personnel:</b>					
(a) Number of FTEs*					
(b) Personal Service					
(c) Employer Contributions					
Program/Case Services					
Pass-Through Funds					
Other Operating Expenses		\$130,000			\$130,000
<b>Total</b>	\$ 0	\$130,000	\$ 0	\$ 0	\$130,000
<i>* If new FTEs are needed, please complete Section G (Detailed Justification for FTEs) below.</i>					

(3) **Base Appropriation:**

State	\$2,353,347
Federal	\$ 0
Other	\$ 527,557 (includes FY07 Supplemental funds and Other)

(4) **Is this priority associated with a Capital Budget Priority?** N/A If yes, state Capital Budget Priority Number and Project Name:

**G. Detailed Justification for FTEs:** N/A

**H. Other Comments:** None

A. Agency Section/Code/Name: H03/South Carolina Commission on Higher Education

B. Priority No. 2 of 5

C. (1) Title: SC GEAR UP

**(2) Summary Description:** CHE seeks \$200,000 in additional recurring funding to provide program support for SC's federal GEAR UP (Gaining Early Awareness and Readiness for Undergraduate Programs) grant. GEAR UP is a national grant program which supports early college preparation and awareness activities for rural and low-income students. In 2005, the U.S. Department of Education awarded South Carolina through CHE a second six-year, GEAR UP grant totaling \$14.8 million (approximately \$2.47 million per year over six years) provided the required state match is made available. SC GEAR UP provides direct services to approximately 4,000 students across 22 rural and low-income middle schools along the I-95 corridor in the Pee Dee region of the state. CHE along with its partners (the S.C. Chamber of Commerce, the State Department of Education, S.C. Governor's schools, and the Southeast Center for Ocean Sciences Education Excellence) provide GEAR UP students the skills and support they need to prepare for, enter, and succeed academically in higher education. CHE is seeking additional support for SC GEAR UP to enable this successful program to be expanded throughout the state. SC GEAR UP currently receives \$600,000 in recurring state funds and \$75,000 in non-recurring funds. The request would move \$75,000 to recurring funds and provide an additional \$125,000 in new recurring funding for program support.

**(3) Strategic Goal/Action Plan (if applicable):** SC GEAR UP addresses the Commission's goals to ensure quality and diversity of academic programs and educational services in South Carolina, to ensure access to and quality of educational opportunity among underrepresented groups in higher education in South Carolina and to expand postsecondary educational opportunities for South Carolinians.

D. Budget Program Number and Name: GEAR UP, 05070000

E. Agency Activity Number and Name: 288 GEAR UP

F. Detailed Justification for Funding:

**(1) Justification for Funding Increase:** The SC Commission on Higher Education is requesting that the additional \$200,000 in recurring funds that was provided to the GEAR UP Program in FY 2007-08. The program is funded at present with \$600,000 in recurring funding and \$75,000 in non-recurring funding. The request increases program support from \$675,000 in FY 2007-08 to \$800,000. Funds appropriated for SC GEAR UP are used for middle and high school partnership programs to reach disadvantaged middle school students to improve their preparation for college. The funds are used as a match to Federal GEAR Up funds (\$2,468,637 in each of six years) awarded initially in FY 2006-07. Students in schools along the I-95 corridor are targeted in this second major federal GEAR UP award. Additional data and details for each of the aforementioned programs are found in the business section of the CHE's 2006-07 Accountability Report to be submitted September 14, 2007, as required.



(2)

<b>FY 2008-09 Cost Estimates:</b>	<b>State Non-Recurring Funds</b>	<b>State Recurring Funds</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>
<b>Personnel:</b>					
(a) Number of FTEs*		0.00			0.00
(b) Personal Service		\$0			\$0
(c) Employer Contributions		\$0			\$0
Program/Case Services		\$0			\$ 0
Pass-Through Funds		\$0			\$ 0
Other Operating Expenses		\$200,000			\$200,000
<b>Total</b>	<b>\$ 0</b>	<b>\$200,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$200,000</b>
<i>* If new FTEs are needed, please complete Section G (Detailed Justification for FTEs) below.</i>					

**(3) Base Appropriation:**      State      \$ 600,000  
   Federal      \$4,688,827  
   Other      \$ 75,000 (FY07 Supplemental Funds)

**(4) Is this priority associated with a Capital Budget Priority?** N/A If yes, state Capital Budget Priority Number and Project Name:

**G. Detailed Justification for FTEs:**      N/A

**H. Other Comments:**                      None

A. Agency Section/Code/Name: **H03/South Carolina Commission on Higher Education**

B. Priority No. **3** of **5**

C. (1) Title: **S.C. College Access Network**

(2) **Summary Description:** Additional program support to enable the agency to work with the National College Access Network to enhance and strengthen the state's resources for its neediest students.

(3) **Strategic Goal/Action Plan (if applicable):** The program will address the Commission's priorities to ensure efficient and effective delivery of services, to ensure quality and diversity of academic programs and educational services in South Carolina, and to expand postsecondary educational opportunities for South Carolinians.

D. Budget Program Number and Name: N/A, new item

E. Agency Activity Number and Name: N/A, new item

F. Detailed Justification for Funding:

(1) **Justification for Funding Increase:** SC GEAR UP is highly effective in working with the schools to increase students' interest in and ability to succeed in higher education, but its activities do not extend to the related and very critical area of finding "last dollar" grants to supplement existing federal and state grant funding. College access programs, which are local, non-governmental organizations, specialize in this key task of leveraging private giving for "last dollar" funding. Although South Carolina has some organizations that serve this purpose, there are many areas of the state which lack programs and existing efforts could benefit from additional expertise. The S.C. College Access Network (SC-CAN), building on the knowledge and experience of the National College Access Network (of which South Carolina is a member), would fill the role of helping to strengthen existing programs and create new ones.

(2)

<b>FY 2008-09 Cost Estimates:</b>	<b>State Non-Recurring Funds</b>	<b>State Recurring Funds</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>
<b>Personnel:</b>					
(a) Number of FTEs*					
(b) Personal Service					
(c) Employer Contributions					
Program/Case Services					
Pass-Through Funds					
Other Operating Expenses		\$25,000			\$25,000
<b>Total</b>	\$ 0	\$25,000	\$ 0	\$ 0	\$25,000
<i>* If new FTEs are needed, please complete Section G (Detailed Justification for FTEs) below.</i>					

**(3) Base Appropriation:**      State      \$0  
   Federal      \$0  
   Other      \$0

**(4) Is this priority associated with a Capital Budget Priority?** N/A If yes, state Capital Budget Priority Number and Project Name:

**G. Detailed Justification for FTEs:**      N/A

**H. Other Comments:**                      None

A. **Agency Section/Code/Name:** H03/South Carolina Commission on Higher Education

B. **Priority No. 4 of 5**

C. **(1) Title:** Increasing Underrepresented Populations in Health Care

**(2) Summary Description:** As we face workforce shortages in health care, particularly nursing, we need to address strategically known shortages such as the under-representation of racial and ethnic minorities and males. CHE seeks increased Access & Equity program funds of \$400,000 to extend activities through targeted grants for institutional or statewide projects focused on building a more diverse healthcare workforce by increasing the number of underrepresented populations in nursing/healthcare. The Commission will work collaboratively with the Department of Education and in concert with EEDA and the development of the health professions career cluster. Increased funding for such projects will assist the state in seeking and securing additional external grant funding.

**(3) Strategic Goal/Action Plan (if applicable):** The programs under this priority address the Commission's goals to ensure efficient and effective delivery of services and to ensure quality and diversity of academic programs and educational services in South Carolina.

D. **Budget Program Number and Name:** Access & Equity, 01060000

E. **Agency Activity Number and Name:** 285 Access & Equity

F. **Detailed Justification for Funding:**

**(1) Justification for Funding Increase:** Ensuring educational equity for all students and faculty in higher education is one of the primary functions of the Commission. Success in college should not be affected by a student's race. Minority enrollment should be at least proportional to the minority population in South Carolina and minority graduation rates should be comparable to the graduation rates of other students. The requested funds will improve the state's commitment to Access and Equity Programs by enabling increased numbers of under-represented populations, particularly minority males, to enter a critical need area in health care, nursing. Additional details on the Access & Equity program are found in the CHE's 2006-07 Accountability Report to be submitted September 14, 2007.

(2)

<b>FY 2008-09 Cost Estimates:</b>	<b>State Non-Recurring Funds</b>	<b>State Recurring Funds</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>
<b>Personnel:</b>					
(a) Number of FTEs*					
(b) Personal Service					
(c) Employer Contributions					
Program/Case Services					
Pass-Through Funds					
Other Operating Expenses		\$400,000			\$400,000
<b>Total</b>	\$ 0	\$400,000	\$ 0	\$ 0	\$400,000
<i>* If new FTEs are needed, please complete Section G (Detailed Justification for FTEs) below.</i>					

(3) **Base Appropriation:**      State      \$711,613  
   Federal      \$      0  
   Other      \$      0

(4) **Is this priority associated with a Capital Budget Priority?** N/A If yes, state Capital Budget Priority Number and Project Name:

G. **Detailed Justification for FTEs:**      N/A

H. **Other Comments:**      None

**A. Agency Section/Code/Name:** H03/South Carolina Commission on Higher Education

**B. Priority No. 5 of 5**

**C. (1) Title:** SREB Programs and Services

**(2) Summary Description:** CHE seeks additional funds to cover increased costs of Southern Regional Education Board (SREB) programs and services for FY 2008-09. The requested funds will enable the state to continue the same level of participation in regional initiatives and policy research and in programs that enable our students to take advantage of higher education offerings not otherwise available in South Carolina at reduced rates including programs such as Veterinary Medicine and Optometry, and others through the SREB Academic Common Market.

**(3) Strategic Goal/Action Plan (if applicable):** The program will address the Commission's priorities to ensure effective and efficient delivery of services, to ensure quality and diversity of academic programs and educational services in South Carolina, and to expand postsecondary educational opportunities for South Carolinians.

**D. Budget Program Number and Name:** SREB Contract Professional Scholarships, 05010000

**E. Agency Activity Number and Name:** 286 SREB Contractual Scholarships; 287 SREB Fees & Assessments; 290 Arts Program

**F. Detailed Justification for Funding:**

**(1) Justification for Funding Increase:** Southern Regional Education Board (SREB): The funding increase of \$145,735 requested for SREB programs provides for increased program fees as outlined by the SREB contract. Last year, CHE received an increase of \$527,250 in recurring funds to provide for SREB programs in FY 2007-08. The requested increase for FY 2008-09 will bring total program funding to \$2,034,739 and enable the state to meet increased SREB obligations in FY 2008-09. The increase in funds requested will enable full state participation in the programs including contracts-for-services in optometry and veterinary medicine, the tuition aid program, the Doctoral Scholars Program, and SREB general operations and regional education programs. Continued participation in optometry and veterinary medicine enables South Carolina to maintain availability of slots for South Carolina residents in other states' professional programs while the State avoids the expense of building, staffing, and running these professional schools. Fees for the tuition aid program also allow South Carolina residents the opportunity to participate in a program not offered in South Carolina. Membership in SREB also enables the state's residents to access programs not offered in South Carolina in other states at the in-state rates through the Academic Common Market. Fees for the doctoral scholars program support recruitment and retention of minority doctoral candidates. The remaining fees for this program allow South Carolina to maintain its membership in SREB which was founded in an effort to provide shared resources for states for serving all education endeavors (pre-Kindergarten, K-12, and Higher Education) and enable contracts to reduce costs for participating states.

(2)

<b>FY 2008-09 Cost Estimates:</b>	<b>State Non-Recurring Funds</b>	<b>State Recurring Funds</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>
<b>Personnel:</b>					
(a) Number of FTEs*					
(b) Personal Service					
(c) Employer Contributions					
Program/Case Services					
Pass-Through Funds					
Other Operating Expenses		\$145,735			\$145,735
<b>Total</b>	\$ 0	\$145,735	\$ 0	\$ 0	\$145,735
<i>* If new FTEs are needed, please complete Section G (Detailed Justification for FTEs) below.</i>					

**(3) Base Appropriation:**

State	\$2,889,005
Federal	\$ 0
Other	\$ 0

**(4) Is this priority associated with a Capital Budget Priority?** N/A If yes, state Capital Budget Priority Number and Project Name:

**G. Detailed Justification for FTEs:** N/A

**H. Other Comments:**

Additional data and details for each of the aforementioned programs are found in the business section of the CHE's 2006-07 Accountability Report to be submitted September 14, 2007, as required.

### **III. DETAILED JUSTIFICATION FOR CAPITAL BUDGET PRIORITIES**

N/A, CHE does not have any agency capital requests

### **IV. PROVISOS**

N/A, CHE is not requesting any new or amended provisos for FY 2008-09. For questions regarding provisos, contact Ms. Julie Carullo, 803.737.2292, [jcarullo@che.sc.gov](mailto:jcarullo@che.sc.gov). As required a separate document regarding the provisos has been transmitted.



## FY 2008-09 COST SAVINGS & ACTIVITY PRIORITY ADDENDUM

### I. PRIORITY ASSESSMENT OF ACTIVITIES – HIGHEST PRIORITIES

A. Agency Section/Code/Name: H03/South Carolina Commission on Higher Education

B.

Priority Assessment of Activities – Highest Priorities	General	Federal	Supplemental	Capital Reserve	Other	Total	FTEs
Activity Number & Name: Administration (Activity Numbers 279, 295, and 298)	\$2,554,026	\$322,573	\$280,000	\$0	\$391,102	\$3,547,701	30.39
Activity Number & Name: Scholarship/Grant Programs (Activities 285, 286, 287, 312, 297,306, 310, 311, 314, 304, 301, and 280)	\$110,938,492	\$0	\$1,300,000	\$0	\$162,046,444	\$274,284,936	3.11
Activity Number & Name: Collaborative Education and Support Programs including Electronic Library, University Center of Greenville, and Lowcountry Graduate Center (Activities 307, 281, 282, 283, and 284)	\$2,924,892	\$0	\$4,235,229	\$0	\$0	\$7,160,121	\$0
Activity Number & Name: Programs to Stimulate Research Competitiveness (Activities 308, 302, and 303)	\$2,838,806	\$0	\$0	\$0	\$30,000,000	\$32,838,806	1.0
Activity Number & Name: Collaborative K-12 and Higher Education Programs including EEDA and Teacher Preparation (Activities 1690, 291, 292, 294)	\$1,683,000	\$1,107,849	\$0	\$0	\$6,592,115	\$9,382,964	0.5
Activity Number & Name: Higher Education Awareness Programs (Activities 299, Higher Education Awareness & 288, GEAR UP)	\$948,881	\$4,688,827	\$75,000	\$0	\$0	\$5,712,708	2.00
TOTAL OF HIGHEST PRIORITIES	\$121,888,097	\$6,119,249	\$5,890,229	\$0	\$199,029,661	\$332,927,236	37.00

## FY 2008-09 ACTIVITY PRIORITY ADDENDUM

### II. PRIORITY ASSESSMENT OF AGENCY ACTIVITIES – LOWEST PRIORITIES

A. Agency Section/Code/Name: H03/South Carolina Commission on Higher Education

B. Agency Activity Number and Name:

CHE in this section is asked to identify across its programs as reported in the Agency Activity Inventory a minimum of 20% of agency activities up to a maximum of 5 activities viewed as lower in agency priority. Although important projects, CHE has identified the following projects for reasons stated in Part C below: Youth Leadership Conference, SREB School of the Arts Program, and the Professor of the Year Program. These programs were selected among the CHE administrative activities and flow through funding as projects that at this time are among lower priority given the needs for higher education. The lower priority status is not intended to suggest the projects are not worthy of continued state support, merely that CHE is complying with the instructions.

C. Explanation of Lowest Priority Status:

Youth Leadership Conference: This item is a flow-through program to the Palmetto Project and receives \$50,000 in state general funds. This funding helps support a public-private partnership known as Youth Unity in SC. Project goals are to encourage efforts of high school and middle school students in addressing campus violence, bullying, student conflict, and school alienation. Many of our colleges contribute both their facilities and expertise to project activities. The benefit to the program, however, is for high school and middle school students. While this program may be important in assisting students in developing as leaders, given the pressing needs of higher education at this time and given that the small amount of state funding may be able to be replaced through private means, the project has been selected as a lower priority item.

SREB School of the Arts Program – This program is funded with \$10,274 in state general funds and CHE makes up the prior years reductions of approximately \$5,000 from its operating budget for a total of just over \$15,000. The program aids talented SC high school students who are interested in pursuing a conservatory-based high school arts education. Approximately three to seven South Carolinians participate annually. The available state dollars for this program are used to provide reduced tuition for South Carolinians who attend the NC School of the Arts located in Winston Salem, NC. This school is different in nature to the Greenville School of Arts as it focuses on conservatory based training of future professionals. While the program is of benefit to several high school students pursuing careers in the arts, it has been selected as a lower priority item given pressing needs for higher education at this time.

Professor of the Year – This legislated program (§59-104-220) is funded with \$14,850 in state general funds and provides a forum to recognize and reward the state's talented higher education faculty. The application, review and award process enables the state to identify and showcase methods of talented faculty which in turn provides best practice examples for faculty. While this program is important in its purpose, given the current pressing needs for higher education and the small size of this program, it has been selected among the lower priority activities for the agency.

**D. Estimate of Savings:**

<b>Estimate of Savings:</b>	<b>General</b>	<b>Federal</b>	<b>Supplemental</b>	<b>Capital Reserve</b>	<b>Other</b>	<b>Total</b>
<b>Personnel:</b>						
(a) Number of FTEs	0	0	0	0	0	0.00
(b) Personal Service	0		0	0	0	\$ 0
(c) Employer Contributions	0		0	0	0	\$ 0
Program/Case Services	0	0	0	0	0	\$ 0
Pass-Through Funds	0	0	0	0	0	\$ 0
Other Operating Expenses	\$75,124	0	0	0	0	\$75,124
<b>Total</b>	<b>\$75,124</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$75,124</b>

**E. Activity Impact (*Describe the impact on the activity affected including the impact on customers and clients.*):** See explanations provided in section C. above.

**F.**

<b>Summary of Priority Assessment of Activities</b>	<b>General</b>	<b>Federal</b>	<b>Supplemental</b>	<b>Capital Reserve</b>	<b>Other</b>	<b>Total</b>	<b>FTEs</b>
Activity Number & Name: 293 Youth Leadership Conference	\$50,000	0	0	0	0	\$50,000	0
Activity Number & Name: 290 Arts Program	\$10,274	0	0	0	0	\$10,274	0
Activity Number & Name: 296 Professor of Year	\$14,850	0	0	0	0	\$14,850	0
<b>TOTAL OF LOWEST PRIORITES</b>	<b>\$75,124</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$75,124</b>	<b>0.00</b>

*\*Please refer to explanation above in part c above regarding these items. The listing of the funds involved as requested is not an endorsement of the agency that these programs should be curtailed. The programs have only been listed among the identified lower agency priorities given current existing needs of CHE in meeting its mission and in advocacy role for the mission of higher education.*